RBI has also given freedom to commercial banks to fix their own interest rates on domestic term deposits of various maturities with the prior approval of their respective Board of Directors with effect from October 22, 1997. As such, the rates of interest on deposits are being determined by the banks themselves. However, RBI regulates interest rates on savings bank accounts.

As stated in the Third/Quarter Review of Annual Statement on Monetary Policy for 2006-07, issued on January 31, 2007, the Reserve Bank will ensure that appropriate liquidity is maintained in the system so that all legitimate requirements of credit are met, particularly for productive purposes, consistent with the objective of price and financial stability Towards this end, the Reserve Bank will continue its policy of active demand management of liquidity through Open Market Operations (OMO) including the Market Stabilisation Scheme (MSS), Liquidity Adjustment Facility (LAF) and Cash Reserve Rato (CRR).and using all the policy instruments at its disposal flexibly as and when the situation warrants.

Accrual of revenue from income tax

†2340. SHRI AMIR ALAM KHAN: Will the Minister of FINANCE be pleased to state:

(a) the total revenue accrued from income tax in the country, State-wise:

(b) whether Government have conducted any survey of the States making the largest recoveries of Income Tax;

(c) if so, the details thereof;

(d) if not, the reasons therefor;

(e) the efforts being made by Government to enhance the recovery of income tax in the country;

(f) whether Government are considering to offer special economic assistance with a view to encourage the States collecting the largest Income Tax; and

(g) if so, the details thereof?

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†Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) During the current financial year up to February 2007, an amount of Rs. 1,63,943.93 crore has been collected as income tax in the country. However, State-wise details of current year's collections of income tax are not yet available. A statement of State-wise collections of direct taxes for financial year 2005-06 is enclosed as Statement. (See below).

(b) No specific survey or study has been carried out in this regard

(c) Does not arise in view of reply to para (b) above.

(d) the Government keeps receiving information about the amounts of income tax collected in various States through normal reporting channels and so there was no need to carry out a separate survey in this regard

(e) the following steps have been taken to maximize collection of income tax and other direct taxes in the country:

1. Monitoring of the recovery of arrears by a Task Force.
2. Monitoring of advance tax payments by top taxpayers by the senior officers of the Department.
3. Detection of new areas of violation/avoidance of the provisions of TDS and taking action for proper deduction and deposit of TDS.
4 Selection of cases under scrutiny based on objective financial indicators and proper risk assessment.
5. Further computerization of the Departmental business processes and databases for linking of information and reporting of high value transaction.
6. Cross-verification of data collected through Annual Information Return with the return of income and issuance of notices in suitable cases.
7. Conducting of surveys at a large scale for detection of concealment and for compliance of TDS.
8 Collection of data of purchase of luxury goods and issuance of notices in suitable cases.
9. Multi-media campaign to encourage voluntary compliance of tax laws.

(f) No Sir, no such proposal is presently under the consideration of the Government.

(g) Does not arise in view of reply to para (f) above.

Statement

State and U. T. wise break-up of collection for the year 2005-2006

Figures in crores

States	0020 Corpn.	0021 Income tax	0023 Hot. Rect.	0024 Interest Tax	0026 Fringe Ben.Tax.	0028 Expdr. Tax	0031 Est. Duty	0032 Wealth Tax	0033 Gift Tax	0034 Sec.Trans Tax	0036 BCTT	Total
Andhra Pradesh	4059.58	2477.86	425	0.48	121.09	1.60	0.00	5.95	0.50	1.46	20.54	6693.31
Arunachal Pradesh	0 00	7.61	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.61
Assam	498.66	1093.77	001	0.01	2.46	0.19	0.06	0.87	0.00	0.00	0.09	1596 12
Bihar	140.41	448.87	0.00	0.03	6.39	0.03	0.00	022	0.00	0.00	0.00	595.95
Jharkhand	431.79	534.99	0.00	0.14	11.83	0.06	0.00	0.33	0.00	0.00	0.05	979.19
Goa	810.15	258.91	0.00	0.01	12.71	0.06	0.00	1.24	0.00	0.00	0.04	1083.12
Gujarat	3080.89	2971.72	0.70	0.29	120.21	2.73	0.01	7.71	0.05	0.09	3.42	6187.82
Haryana	866.62	1218.87	0.01	0.02	125.00	0.10	0.00	1.13	0.00	0.00	0.24	2211.99
Himachal Pradesh	60.97	169.82	0.00	0.00	3.28	0.62	0 00	0.07	0.01	0.00	0.01	234.76
Jammu & Kashmir	12848	109.81	0.00	0.00	5.22	0.00	0.00	0.02	0.00	0.00	0.388	243.91
Karnataka	7386.03	6224.82	0.03	0.94	406.54	3.12	0.00	9.41	1.13	254	41.12	14075.68
Kerala	576.15	1069.56	0.04	4.54	29.72	0.07	0.00	3.61	0.14	0.00	10.63	1694.46
Madhya Pradesh	1295 56	915.64	001	0.14	36.20	000	0.79	0.84	0.01	0.00	4.73	2252.06
Chhattisgarh	416.57	745.18	0.00	0.06	15.79	0.00	0.14	25.19	0.00	0.00	0.07	1202.72
Maharashtra	3801181	17642.76	077	3.95	2170.53	6.28	004	104.28	0.41	2546.42	170.64	60657.07
Manipur	3.85	1.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.02
Meghalaya	9.09	30.21	0.00	0.00	0.98	0.00	000	0.02	0.00	0.00	0.00	40.30
Mizoram	035	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.35
Nagaland	1.04	3.88	0.00	0.00	0.07	0.00	000	0.01	0.00	0.00	0.00	5.00
New Delhi	18512.26	6769.71	0.00	0.94	847.20	1.70	0.04	36.88	0.50	0.60	32.23	26202.06

Orissa	1766.00	63481	0 00	0.01	1395	0 00	000	020	0 00	0.00	009	241506
Punjab	24842	140772	0 01	0.40	3044	1 56	0 03	3.30	0.01	-001	0 14	169202
Rajasthan	1177 09	91248	0 01	011	64 95	276	000	203	0.00	0 00	2 58	2162.01
Sikkim	0 87	1337	0 00	000	0.00	000	0.00	0.00	0.00	000	000	1424
Tamil Nadu	6505 11	3929.50	005	0.34	287.19	2.44	0.03	1699	0.03	327	19.10	10764 05
Tripura	630	2562	0 00	0.00	0.00	0.01	0.00	0.01	0.01	000	0 00	31 95
Uttar Pradesh	1068 97	2073 27	000	041	7804	5.90	000	774	0.00	038	053	323524
Uttaranchal	8584.45	489.26	0 00	007	66.93	0.00	0.00	1.30	000	0.00	0.42	914243
West Bengal	5042 43	219285	000	0.52	28822	065	0.00	20 34	002	4.61	1400	7563 64
Total (1)-	100689 90	54374 04	5 89	13 13	4744.94	29.88	0.72	24969	1.96	255938	321 05	162989.14
Union Territories												
Andaman & Nicobar	4 14	545	000	000	0.24	000	0 00	0.00	000	0.00	000	983
Chandigarh	261 29	360.69	000	0 11	25.77	0.80	0.00	0.61	0.00	0.00	0.28	64955
Daman	869	. 216	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	10.85
Diu	0.16	0.00	0.00	000	0.00	0.00	0 00	000	0.00	000	0.00	0 16
Dadar and N Haveli	0 00	0.00	0.00	0.00	0.00	000	0.00	0 00	0.00	0.00	0.00	0.00
Pondicherry	4373	51.70	0 00	000	1 33	0.01	0.01	0.00	0 05	0 00	0 00	96.82
Lakshadweep	0.00	0.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	000	009
Silvasa	0 16	0.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	065
Total-(ll)	318.17	420.58	0.00	0.11	27 34	0.81	0.00	0.66	o.od	0.00	028	767 95
Total-(l) &	10100807	54794 62	589	13.24	4772 28	30 69	-072	250.35	1 96	255938	321 33	163757 09
C.T.D.S.	269 06	1182.24										1451.33
GRAND	101277 15	5597687	589	13.24	477228	30 69	-0.72	25035	1.96	2559.38	321 33	165208.42